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Georgia Public Service Commission Votes on Georgia Power Rate Case

December 17, 2019 – (ATLANTA) The Public Service Commission, on Tuesday, completed the Georgia Power rate case by voting for a stipulated agreement with Georgia Power combined with a motion drawn up by Commission Vice-Chair Tim Echols.

"While not perfect, much about our energy delivery system is top-drawer," Commissioner Echols said. "Smart meters allow instant reconnection — and many states do not have them yet. Georgia does. We have replaced all of our old cast iron and bare steel pipe underground. Many states have not. And we have prioritized a diverse energy portfolio treating the grid much like you do your 401(k). This approach helps us hedge against spikes in fuel prices or unintended consequences like we saw with the oil tanker crisis in the Middle East recently that sent gas prices soaring."

Commissioner Chuck Eaton said Commissioner Echols did a good job of taking a complex situation and creating a fair motion.

"Rate cases can be very long and complicated processes," he said. "It can be difficult to synthesize it down to a motion. I felt we did a great job today in balancing a lot of interests."

When the rate case was filed in June, Georgia Power requested a \$2.2 billion increase over the next three years. It also requested an increase in the basic service charge from the current \$10 to \$17.95 over the next three years.

The Commissioners' vote Tuesday allows an increase of \$1.77 billion over the next three years. The basic service charge will not increase in 2020 and will increase just \$2 in 2021 and \$2 in 2022.

Next year, the average Georgia Power household using 1,000 kilowatt hours per month of electricity can expect to see their monthly bill rise by about \$5.89 per month, according to Georgia Power Officials. This represents a first year total rate impact of 4 to 4.5%—with a second year impact of an additional 2 to 2.5% coming in 2021, and third year impact of a 4.5 to 5% in 2022.

Commissioner Jason Shaw likewise said he thinks the Commission found a good balance between what Georgia Power wanted and what intervenors in the case wanted. He also made the point that he lives in South Georgia, which has been hit hard by storms in the past few years.

"I'm proud this guarantees full recovery for the utility's storm recovery fund," he said. "As we move forward, we'll be prepared for any future weather events."

“Georgia is exceptional,” said Commissioner Tricia Pridemore. “We are the No. 1 state for business eight years in a row and our population is expected to grow by over 1 million people in the next three years. Georgia needs to be ready. We have an opportunity to be our very best and we need power to do this.”

Commissioner Chairman Lauren “Bubba” McDonald was the lone Commissioner to vote against the proposal but said he looks forward to continuing efforts with Georgia Power in the coming years.

“My concern now is to move forward to 2020 and 2021 and integrate the Vogtle nuclear expansion,” he said.

The Georgia Public Service Commission is a five-member constitutional agency that exercises its authority and influence to ensure that consumers receive safe, reliable, and reasonably-priced telecommunications, electric and natural gas service from financially viable and technically competent companies.

For more information on the Commission, see the Commission web site at <https://psc.ga.gov/>

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